

# FEDERAL FORMULA GRANT PROGRAM FOR URBANIZED AREAS-SECTION 5307

- Statutory Reference: s.85.20
- Administrative Rule: TRANS 8
- Federally funded formula grant program. Funds are allocated at the federal level using a formula based on population, population density and revenue miles of service.
- Eligible applicants are transit systems in federally designated urbanized areas.
- The program is organized into three funding tiers: a) urbanized areas with populations over a million (Milwaukee); b) urbanized areas with populations between 200,000 and a million (Madison); and c) urbanized areas with populations between 50,000 and 200,000 (twelve in Wisconsin). Systems in tiers a and b can use funds for capital purchases only (includes capitalized maintenance costs) and not for operating assistance. These systems are funded directly from the Federal Transit Administration.
- For urbanized areas under 200,000 population, funds are allocated to the Governor, who is responsible for determining the distribution to individual transit systems. This responsibility has been delegated to the Wisconsin Department of Transportation. Systems in this tier may use funds for either capital or operating assistance:
  1. Capital Assistance 80% of the cost of project equipment (up to 90% of the cost of equipment or modifications required by the Americans with Disabilities Act (ADA) or by the Federal Clean Air Act). WISDOT applies to FTA for grant and subcontracts with individual transit systems.
  2. Operating Assistance: up to 50% of net operating cost (project deficit). WISDOT determines the amounts to be distributed to each transit system. Systems contract directly with FTA.
- Recent Funding Levels (state totals):
  - ◆ 2001 - \$ 34.9 million
  - ◆ 2000 - \$ 32.9 million
  - ◆ 1999 - \$ 30.1 million
  - ◆ 1998 - \$ 26.5 million
- Annual Application Cycle - Transit systems provide list of approved capital projects for which they have available local matching funds in January. WISDOT submits application to FTA in March or April. WISDOT finalizes operating assistance distribution in March and notifies FTA.

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